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MANAGEMENT’S DISCUSSION AND ANALYSIS OF CAPSTONE COPPER CORP. FOR THE THREE MONTHS ENDED MARCH 31, 2025

Capstone Copper Corp. (“Capstone Copper”, the “Company” or "we") has prepared the following management’s discussion and analysis (the “MD&A”) as of May 1, 2025 and it should be read in conjunction with the Company’s unaudited condensed interim consolidated financial statements and notes thereto for the three months ended March 31, 2025. All financial information has been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and all dollar amounts presented are United States (“US”) dollars unless otherwise stated. “C$” refers to Canadian dollars and "A$" refers to Australian dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This document may contain “forward-looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements relate to future events or future performance and reflect the Company's expectations or beliefs regarding future events. The Company's Sustainable Development Strategy goals and strategies are based on a number of assumptions, including, but not limited to, the reliability of data sources; the biodiversity and climate-change consequences; availability and effectiveness of technologies needed to achieve the Company's sustainability goals and priorities; availability of land or other opportunities for conservation, rehabilitation or capacity building on commercially reasonable terms and the Company's ability to obtain any required external approvals or consensus for such opportunities; the availability of clean energy sources and zero-emissions alternatives for transportation on reasonable terms; availability of resources to achieve the goals in a timely manner, the Company's ability to successfully implement new technology; and the performance of new technologies in accordance with the Company's expectations.

Forward-looking statements include, but are not limited to, statements with respect to the estimation of Mineral Resources and Mineral Reserves, the success of the underground paste backfill and tailings filtration projects at Cozamin, the results of the Optimized Mantoverde Development Project ("MV Optimized FS") and Mantoverde Phase II study, the timing and results of PV District Growth Study (as defined below), the timing and results of Mantos Blancos Phase II Feasibility Study, the timing and success of the Mantoverde - Santo Domingo Cobalt Feasibility Study, the results of the Santo Domingo FS Update and success of incorporating synergies previously identified in the Mantoverde - Santo Domingo District Integration Plan, the timing and results of exploration and potential opportunities at Sierra Norte, the realization of Mineral Reserve estimates, the timing and amount of estimated future production, the costs of production and capital expenditures and reclamation, the timing and costs of the Minto obligations and other obligations related to the closure of the Minto Mine, the budgets for exploration at Cozamin, Santo Domingo, Pinto Valley, Mantos Blancos, Mantoverde, and other exploration projects, the timing and success of the Copper Cities project, the success of the Company's mining operations, the continuing success of mineral exploration, the estimations for potential quantities and grade of inferred resources and exploration targets, the Company's ability to fund future exploration activities, the Company's ability to finance the Santo Domingo development project, environmental and geotechnical risks, unanticipated reclamation expenses and title disputes, the success of the synergies and catalysts related to prior transactions, in particular but not limited to, the potential synergies with Mantoverde and Santo Domingo, the anticipated future production, costs of production, including the cost of sulphuric acid and oil and other fuel, capital expenditures and reclamation of Company’s operations and development projects, the Company's estimates of available liquidity, and the risks included in the Company's continuous disclosure filings on SEDAR+ at www.sedarplus.ca. The impact of global events such as pandemics, geopolitical conflict, or other events, to Capstone Copper is dependent on a number of factors outside of the Company's control and knowledge, including the effectiveness of the measures taken by public health and governmental authorities to combat the spread of diseases, global economic uncertainties and outlook due to widespread diseases or geopolitical events or conflicts, supply chain delays resulting in lack of availability of supplies, goods and equipment, and evolving restrictions relating to mining activities and to travel in certain jurisdictions in which we operate. In certain cases, forward-looking statements can be identified by the use of words such as “anticipates”, “approximately”, “believes”, “budget”, “estimates”, “expects”, “forecasts”, “guidance”, “intends”, “plans”, “scheduled”, “target”, or variations of such words and phrases, or statements that certain actions, events or results “be achieved”, “could”, “may”, “might”, “occur”, “should”, “will be taken” or “would” or the negative of these terms or comparable terminology.

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Such factors include, amongst others, risks related to inherent hazards associated with mining operations and closure of mining projects, future prices of copper and other metals, compliance with financial covenants, inflation, surety bonding, the Company's ability to raise capital, Capstone Copper’s ability to acquire properties for growth, counterparty risks associated with sales of the Company's metals, use of financial derivative instruments and associated counterparty risks, foreign currency exchange rate fluctuations, market access restrictions or tariffs, changes in U.S. laws and policies regulating international trade including but not limited to changes to or implementation of tariffs, trade restrictions, or responsive measures of foreign and domestic governments, changes to cost and availability of goods and raw materials, along with supply, logistics and transportation constraints, changes in general economic conditions including market volatility due to uncertain trade policies and tariffs, availability and quality of water and power resources, accuracy of Mineral Resource and Mineral Reserve estimates, operating in foreign jurisdictions with risk of changes to governmental regulation, compliance with governmental regulations and stock exchange rules, compliance with environmental laws and regulations, reliance on approvals, licences and permits from governmental authorities and potential legal challenges to permit applications, contractual risks including but not limited to, the Company's ability to meet the requirements under the Cozamin Silver Stream Agreement with Wheaton Precious Metals Corp. ("Wheaton"), the Company's ability to meet certain closing conditions under the Santo Domingo Gold Stream Agreement with Wheaton, acting as Indemnitor for Minto Metals Corp.’s surety bond obligations, impact of climate change and changes to climatic conditions at the Company's operations and projects, changes in regulatory requirements and policy related to climate change and greenhouse gas ("GHG") emissions, land reclamation and mine closure obligations, introduction or increase in carbon or other "green" taxes, aboriginal title claims and rights to consultation and accommodation, risks relating to widespread epidemics or pandemic outbreaks; the impact of communicable disease outbreaks on the Company's workforce, risks related to construction activities at the Company's operations and development projects, suppliers and other essential resources and what effect those impacts, if they occur, would have on the Company's business, including the Company's ability to access goods and supplies, the ability to transport the Company's products and impacts on employee productivity, the risks in connection with the operations, cash flow and results of Capstone Copper relating to the unknown duration and impact of the epidemics or pandemics, impacts of inflation, geopolitical events and the effects of global supply chain disruptions, uncertainties and risks related to the potential development of the Santo Domingo development project, risks related to the Mantoverde Development Project ("MVDP"), increased operating and capital costs, increased cost of reclamation, challenges to title to the Company's mineral properties, increased taxes in jurisdictions the Company operates or is subject to tax, changes in tax regimes we are subject to and any changes in law or interpretation of law may be difficult to react to in an efficient manner, maintaining ongoing social licence to operate, seismicity and its effects on the Company's operations and communities in which we operate, dependence on key management personnel, Toronto Stock Exchange ("TSX") and Australian Securities Exchange ("ASX") listing compliance requirements, potential conflicts of interest involving the Company's directors and officers, corruption and bribery, limitations inherent in the Company's insurance coverage, labour relations, increasing input costs such as those related to sulphuric acid, electricity, fuel and supplies, increasing inflation rates, competition in the mining industry including but not limited to competition for skilled labour, risks associated with joint venture partners and non-controlling shareholders or associates, the Company's ability to integrate new acquisitions and new technology into the Company's operations, cybersecurity threats, legal proceedings, the volatility of the price of the common shares, the uncertainty of maintaining a liquid trading market for the common shares, risks related to dilution to existing shareholders if stock options or other convertible securities are exercised, the history of Capstone Copper with respect to not paying dividends and anticipation of not paying dividends in the foreseeable future and sales of common shares by existing shareholders can reduce trading prices, and other risks of the mining industry as well as those factors detailed from time to time in the Company's interim and annual financial statements and MD&A of those statements and Annual Information Form, all of which are filed and available for review under the Company's profile on SEDAR+ at www.sedarplus.ca. Although the Company has attempted to identify important factors that could cause the Company's actual results, performance or achievements to differ materially from those described in the Company's forward-looking statements, there may be other factors that cause the Company's results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that the Company's forward-looking statements will prove to be accurate, as the Company's actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the Company's forward-looking statements.

1.0 BUSINESS OVERVIEW

Capstone Copper Corp. (“Capstone Copper”, the “Company” or "we") is an Americas-focused copper mining company headquartered in Vancouver, Canada. We own and operate the Pinto Valley copper mine located in Arizona, USA, the Cozamin copper-silver mine located in Zacatecas, Mexico, the Mantos Blancos copper-silver mine located in the Antofagasta region, Chile and 70% of the Mantoverde copper-gold mine located in the Atacama region, Chile. In addition, we own the fully permitted Santo Domingo copper-iron-gold project, located 35 kilometers northeast of Mantoverde in the Atacama region, Chile, as well as a portfolio of exploration properties in the Americas. Through a wholly owned subsidiary, we own 100% of the shares in Compania Minera Sierra Norte S.A ("Sierra Norte"). The Sierra Norte land package covers over 7,000 hectares in Region III, Chile, and is located approximately fifteen kilometers northwest of the Santo Domingo project. The Company is listed on the TSX, and effective February 2, 2024, the Company was admitted to the official list of the ASX as an ASX Foreign Exempt Listing.

2.0 Q1 2025 HIGHLIGHTS AND SIGNIFICANT ITEMS

Q1 2025 Financial and Operational Highlights

- **Consolidated total copper production for Q1 2025 was 53,796 tonnes at C1 cash costs[1] of $2.59/lb. Sulphide copper production for Q1 2025 was 45,950 tonnes at C1 cash costs[1] of $2.23/lb** compared to 30,841 tonnes at $2.55/lb in Q1 2024, largely driven by contributions from Mantoverde sulphides following the successful ramp-up in 2024. Mantoverde sulphides produced 16,268 tonnes of copper at C1 cash costs[1] of $1.53/lb in Q1 2025.

- **Net loss attributable to shareholders of $6.8 million, or $(0.01) per share for Q1 2025** compared to net loss attributable to shareholders of $4.8 million, or $(0.01) per share for Q1 2024.

- **Adjusted net income attributable to shareholders[1] of $8.1 million, or $0.01 per share for Q1 2025**, compared to adjusted net loss attributable to shareholders[1] of $4.5 million in Q1 2024.

- **Record adjusted EBITDA[1] more than doubled to $179.9 million for Q1 2025 from $80.1 million for Q1 2024,** primarily due to increased sulphide copper production and higher realized copper price of $4.36/lb compared to $3.85/lb.

- **Operating cash flow before changes in working capital of $166.1 million in Q1 2025** compared to $62.1 million in Q1 2024.

- **Net debt[1]** of **$788.1 million** as at March 31, 2025, modestly increased from $742.0 million as at December 31, 2024, driven by a working capital draw of $46.0 million largely related to a build-up of accounts receivables, in addition to non-recurring payments of $34.6 million for the final installment payment relating to the 2021 consolidation of the 100% interest in Santo Domingo and $10.0 million to repurchase a royalty at Santo Domingo. **Total available liquidity[1] of $1,044.5 million as at March 31, 2025**, comprising of $344.5 million of cash and short-term investments, and $700.0 million of undrawn amounts on the corporate revolving credit facility.

- **Completion of an offering of an upsized $600 million of 6.750% senior unsecured notes due 2033**. The Company intends to apply the net proceeds of the offering to repay project financing debt at its Mantoverde S.A. subsidiary, to pay down outstanding debt on the Company's senior secured revolving credit facility, and for general corporate purposes.

- **Repurchased a 2.0% net smelter return (“NSR”) royalty held on the Santo Domingo project** from Empresa Nacional de Mineria (“ENAMI”) for cash consideration of $10 million. The ENAMI royalty applied to certain concessions at Santo Domingo which covered approximately 26% of the Mineral Reserve mine plan per the 2024 Feasibility Study.

- The Company **reiterates the 2025 guidance of 220,000 to 255,000 tonnes of copper production at $2.20 to $2.50 per pound cash costs[1]**. Total 2025 sustaining and expansionary capital expenditure guidance of $315 million, plus an additional $210 million for capitalized stripping and $25 million for exploration, is also reaffirmed.

- **The CHESS Depository Interests (“CDI”) of the Company were added to the S&P/ASX 200 Index** by the S&P Dow Jones Indices prior to ASX market open on March 24, 2025.

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled “Non-GAAP and Other Performance Measures”.*

Operating Highlights

	Q1 2025	Q1 2024
Sulphide business		
Copper production (tonnes)		
Mantoverde[2]	**16,268**	—
Mantos Blancos	**12,272**	9,163
Pinto Valley	**10,886**	15,672
Cozamin	**6,524**	6,006
Total sulphides	**45,950**	30,841
C1 cash costs[1] ($/pound) produced		
Mantoverde[2]	**1.53**	—
Mantos Blancos	**2.23**	2.98
Pinto Valley	**3.84**	2.53
Cozamin	**1.28**	1.93
Total sulphides	**2.23**	2.55
Cathode business		
Copper production (tonnes)		
Mantoverde[2]	**6,272**	9,476
Mantos Blancos	**1,574**	1,804
Total cathodes	**7,846**	11,280
C1 cash costs[1] ($/pound) produced		
Mantoverde[2]	**4.81**	3.82
Mantos Blancos	**3.96**	3.43
Total cathodes	**4.64**	3.76
Consolidated		
Copper production (tonnes)	**53,796**	42,121
C1 cash costs[1] ($/pound) produced	**2.59**	2.88
Copper sold (tonnes)	**53,134**	40,996
Realized copper price[1] ($/pound)	**4.36**	3.85

[2] Mantoverde shown on a 100% basis (Capstone Copper ownership 70%).

Sulphide Business

Q1 2025 sulphide production of 45,950 tonnes of copper in concentrate was 49% higher than 30,841 tonnes in Q1 2024. This was mainly due to the commencement of sulphide production at Mantoverde and higher sulphide production at Mantos Blancos following the successful ramp-up of the concentrator, both in the second half of 2024, partially offset by lower production at Pinto Valley on lower copper grades and recoveries and slightly lower throughput as a result of maintenance.

In Q1 2025, Mantoverde's new sulphide concentrator delivered strong operational performance despite a planned 5-day maintenance shutdown and a nationwide power outage in Chile, both occurring in February. Monthly plant throughput varied, with January and March exceeding nameplate capacity at 33,409 tpd and 34,294 tpd respectively, while February throughput declined to 25,235 tpd due to the aforementioned planned shutdown and power outage. Overall, plant throughput averaged 31,171 tpd for the quarter. Copper grades averaged 0.71%, and copper recoveries continued their upward trajectory, averaging 82.3% - a notable improvement from 74.4% in Q4 2024. March also marked a new peak of 45,153 tpd achieved over a 24 hour period. These operational gains supported record quarterly copper production of 16,268 tonnes, up 20% from Q4 2024, highlighting ongoing ramp-up success and the increasing plant stability since first production in June 2024.

[1] These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".

Q1 2025 sulphide C1 cash costs[1] of $2.23/lb were 13% lower than $2.55/lb in Q1 2024 driven by contributions from the lower cost Mantoverde sulphides and lower unit costs at Mantos Blancos and Cozamin, partially offset by higher unit costs at Pinto Valley.

Cathode Business

Q1 2025 cathode production of 7,846 tonnes of copper was 30% lower than 11,280 tonnes in Q1 2024, mainly driven by lower production from Mantoverde cathodes driven by lower oxide grades, planned maintenance, and a nationwide power outage in Chile.

Q1 2025 cathode C1 cash costs of $4.64/lb increased from $3.76/lb in Q1 2024. Cathode C1 cash costs[1] were primarily impacted by lower production levels, and higher sulphuric acid average prices ($176/t in Q1 2025 versus $150/t in Q1 2024). The Company continuously evaluates its cathode copper business to confirm its positive marginal contribution with reference to the prevailing grades and acid prices. In addition, given the higher costs, the Company will typically place zero cost copper collar hedges to protect a margin on this production.

Consolidated

Q1 2025 consolidated production of 53,796 tonnes of copper was 28% higher than 42,121 tonnes in Q1 2024, mainly driven by increased copper production from the sulphide business.

Q1 2025 consolidated C1 cash costs[1] of $2.59/lb were 10% lower than $2.88/lb in Q1 2024 due to higher copper production (-$0.10/lb) and by-product credits (-$0.22/lb) mainly on gold production at Mantoverde, partially offset by lower capitalized stripping costs ($0.03/lb).

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

Consolidated Financial Highlights

($ millions, except per share data)	Q1 2025	Q1 2024
Revenue	**533.3**	339.9
Net loss	**(1.2)**	(5.8)
Net loss attributable to shareholders	**(6.8)**	(4.8)
Net loss attributable to shareholders per common share - basic and diluted ($)	***(0.01)***	*(0.01)*
Operating cash flow before changes in working capital	**166.1**	62.1
Adjusted EBITDA[1]	**179.9**	80.1
Adjusted net income (loss) attributable to shareholders[1]	**8.1**	(4.5)
Adjusted net income (loss) attributable to shareholders per common share - basic and diluted[1]	***0.01***	*(0.01)*
Realized copper price[1] ($/pound)	**4.36**	3.85

	March 31, 2025	December 31, 2024
Net debt[1]	**(788.1)**	(742.0)
Attributable net debt[1]	**(653.7)**	(600.6)

[1] These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".

Key Updates

Capstone Copper has expansion optionality across its portfolio with a combination of attractive brownfield and greenfield opportunities in top-tier mining jurisdictions in the Americas. Capstone Copper is advancing these growth opportunities, which are at various feasibility stages. Currently, no expansion project is underway or has been sanctioned for development. A potential sanctioning decision for each project is subject to a variety of factors, including macroeconomic conditions.

MV Optimized Brownfield Expansion Project

The Company announced the results of its Mantoverde Optimized ("MV Optimized") Feasibility Study ("FS") on October 1, 2024. MV Optimized is a capital-efficient brownfield expansion of Mantoverde's sulphide concentrator, increasing throughput from 32,000 to 45,000 ore tpd and extending the mine life from 19 to 25 years. With an updated sulphide Mineral Reserve of 398 million tonnes at a copper grade of 0.49% (compared to 236 million tonnes at 0.60% copper previously), the project will yield an additional 368,000 tonnes of copper and 215,000 ounces of gold, with an initial expansionary capital investment of $146 million and an implied capital intensity of approximately $7,500 per tonne of incremental annual copper equivalent production. The MV Optimized FS also features a robust life of mine after-tax NPV (8%) of $2.9 billion for the Mantoverde operation on a 100%-basis based on a long-term copper price of $4.10/lb and gold price of $1,800/oz. Capstone Copper anticipates commencing construction following receipt of the DIA environmental permit ("Declaración de Impacto Ambiental"), which is expected around mid-2025.

Mantoverde Phase II

The Company is in the early stages of evaluating the next major phase of growth for Mantoverde, which could include the addition of an entire second processing line. There are 0.2 billion tonnes of Measured & Indicated Mineral Resources and 0.6 billion tonnes of Inferred sulphide Mineral Resources in addition to the reserves that are currently being considered as part of MV Optimized. In addition, exploration targets include the northern portion of the current Mantoverde pit and the northern extension (~10km long) of the projection of the prospective Atacama fault system, which are planned to assist in determining the location of key infrastructure and the economic viability of the project.

Santo Domingo Project

Capstone Copper announced the results of an updated FS for its 100%-owned Santo Domingo copper-iron-gold project in Region III Chile, 35km northeast of Mantoverde on July 31, 2024. The updated FS, completed by Ausenco, outlines the next phase of transformational growth for the Company in the world-class Mantoverde-Santo Domingo ("MV-SD") district.

The 2024 FS for Santo Domingo outlines a robust copper-iron-gold project with an after-tax NPV (8%) of $1.7 billion and an after-tax internal rate of return of 24.1% based on long-term copper, 65% iron ore, and gold price assumptions of $4.10/lb, $110/t, and $1,800/oz, respectively. Total initial capital cost of $2.3 billion drives a capital intensity of approximately $21,900 per tonne of annual copper equivalent production over the life of mine. Over the first seven years of the mine plan, production is expected to average 106,000 tonnes of copper and 3.7 million tonnes of iron ore magnetite concentrate at first quartile cash costs of $0.28 per payable pound of copper produced.

The FS updated the level of engineering to Association for the Advancement of Cost Engineering ("AACE") Class 3. During Q1 2025, detailed engineering efforts were underway to increase the precision of capital estimates to AACE Class 2 over the balance of 2025.

The Company is progressing partnership and financing discussions for the Santo Domingo project, while in parallel advancing opportunities to incorporate the recently acquired Sierra Norte project and Santo Domingo’s copper oxide material into the mine plan. A potential project sanctioning decision is not anticipated prior to mid-2026.

Sierra Norte is located approximately 15 kilometers northwest of the Santo Domingo Project and represents an opportunity to potentially be a future sulphide feed source for Santo Domingo, extending the higher grade copper sulphide life. Potential oxide material at Sierra Norte represents an opportunity to be a future oxide feed for Mantoverde's underutilized SX-EW plant.

In Q1 2025, Capstone Copper exercised its right to repurchase a 2.0% NSR royalty held on the Santo Domingo project from ENAMI for cash consideration of $10 million. The ENAMI royalty applied to certain concessions at Santo Domingo, covering approximately 112 million tonnes of the 436 million tonne Mineral Reserve mine plan per the 2024 Feasibility Study. A 2% NSR royalty remains payable from certain other concessions at Santo Domingo.

Mantoverde - Santo Domingo Pyrite Augmentation & Cobalt

A district cobalt plant for the MV-SD district is designed to unlock cobalt production while reducing sulphuric acid consumption and increasing heap leach copper production. The cobalt recovery process comprises a pyrite flotation step to recover cobaltiferous pyrite from the tailings streams at Mantoverde and Santo Domingo and redirect it to the dynamic heap leach pads, which will be upgraded to a bioleach configuration through the addition of an aeration system as part of MV Optimized. The pyrite oxidizes in the leach pads and the solubilized cobalt is recovered via an ion exchange plant treating a bleed stream from the copper solvent extraction plant. The approach has been successfully demonstrated at the bench and pilot scales.

As currently envisioned, a smaller capacity plant will initially treat cobalt by-product streams from Mantoverde only, producing up to 1,500 tonnes per annum of cobalt, and following sanctioning of the Santo Domingo project, the facility will be expanded to accommodate by-product streams from Santo Domingo. An initial study focused on Mantoverde's pyrite augmentation and cobalt opportunity is expected in 2025, followed by a Santo Domingo study in 2026, for a combined MV-SD target of 4,500 to 6,000 tonnes per annum of cobalt production.

Mantos Blancos Phase II

The Company is currently evaluating the next phase of growth for Mantos Blancos, which is analyzing the potential to increase the concentrator plant throughput to at least 27,000 tpd and increase cathode production from the underutilized SX-EW plant. The sulphide concentrator plant expansion is expected to utilize existing and unused or underutilized process equipment, such as two idled ball mills, plus additional equipment for concentrate filtration, thickening and filtering of tailings. The increase in cathode production is being evaluated based on an opportunity to re-leach spent ore from historical leaching and flotation operations. The increase in cathode production would utilize existing SX-EW plant capacity, with the addition of a dynamic leach pad, agglomeration and stacking infrastructure. The Mantos Blancos Phase II study is expected toward the end of 2025.

PV District Growth

The Company continues to review and evaluate the consolidation potential of the Pinto Valley district. Opportunities under evaluation include a potential mill expansion and increased leaching capacity supported by optimized water, heap and dump leach, and tailings infrastructure. Pinto Valley district consolidation could unlock significant ESG opportunities and may transform the Company's approach to create value for all stakeholders in the Globe-Miami District.

Leadership Succession Plan

As previously announced the following leadership changes will take effect at the next Annual General Meeting of the Company on May 2, 2025:

- John MacKenzie will transition from Chief Executive Officer and will be nominated to the role of Non-Executive Chair of the Capstone Copper Board of Directors;
- Cashel Meagher, current President and Chief Operating Officer, will succeed Mr. MacKenzie as CEO of Capstone Copper, and will also be nominated as a member of the Board;
- James Whittaker, current Senior Vice President, Head of Chile, will succeed Mr. Meagher as COO. This facilitates a flattening of the organizational structure with all mine general managers reporting directly to the COO;
- Darren M. Pylot, founder of Capstone Mining Corp. ("Capstone Mining") and current Chair of the Board, will end his term on the Board after over 20 years with Capstone Mining as a founder and CEO, and subsequently as Chair of the Board of Capstone Copper.

On January 13, 2025, Capstone Copper announced the appointment of Rick Coleman to the Board of Directors effective January 15, 2025. Mr. Coleman has more than 45 years of experience in the mining industry in operations, development and growth, most recently retiring from Freeport-McMoRan Inc. after 30 years.

2.1 2025 Guidance

The Company reiterates its 2025 consolidated production, C1 cash cost[1], capital expenditure, capitalized stripping and exploration expenditure guidance as follows: 220-255kt consolidated production of copper, $2.20-$2.50 C1 cash costs[1] per payable pound of copper, $315 million capital expenditure, $210 million capitalized stripping and $25 million exploration expenditure.

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

3.0 OPERATIONAL REVIEW

3.1 Mantoverde (70% ownership) – Atacama, Chile

Operating Statistics

	2025	2024				
	Q1	Q1	Q2	Q3	Q4	Total
Production (contained)[2, 3]						
Copper in Concentrate (tonnes)	16,268	—	58	8,139	13,580	21,777
Cathode (tonnes)	6,272	9,476	8,663	9,342	8,449	35,930
Total Copper (tonnes)	22,540	9,476	8,721	17,481	22,029	57,707
Gold (ounces)	7,567	—	—	3,842	5,395	9,237
Mining						
Waste (000s tonnes)	20,807	14,805	16,664	20,719	20,720	72,908
Ore (000s tonnes)	8,295	7,052	7,096	7,328	8,466	29,942
Total mined (000s tonnes)	29,102	21,857	23,760	28,047	29,186	102,850
Strip Ratio (Waste:Ore)	2.51	2.10	2.35	2.83	2.45	2.43
Rehandled ore and stockpile movements (000s tonnes)	4,803	3,529	2,923	4,697	5,337	16,486
Total material moved (000s tonnes)	33,905	25,386	26,683	32,744	34,523	119,336
Mill operations						
Throughput (000s tonnes)	2,805	—	—	1,689	2,286	3,975
Tonnes per day	31,171	—	—	18,359	24,848	21,603
Cu Grade (%)[3]	0.71	—	—	0.71	0.80	0.76
Cu Recoveries (%)[3]	82.3	—	—	68.2	74.4	71.1
Au Grade (g/t)[3]	0.10	—	—	0.12	0.10	0.11
Au Recoveries (%)[3]	85.1	—	—	59.7	71.9	66.3
Heap operations						
Throughput (000s tonnes)	2,372	2,785	2,326	2,586	2,512	10,209
Grade (%)	0.30	0.36	0.39	0.36	0.31	0.35
Recoveries (%)	60.7	74.9	71.7	76.1	79.7	75.6
Dump operations						
Throughput (000s tonnes)	2,547	3,828	3,772	3,831	2,775	14,206
Grade (%)	0.14	0.15	0.15	0.15	0.14	0.15
Recoveries (%)	54.7	32.6	39.8	37.9	57.8	40.9
Payable copper produced (tonnes)	21,987	9,476	8,663	17,260	21,567	56,966
Sulphides C1 cash cost[1] ($/pound payable copper produced)	1.53	—	—	2.52	1.83	2.09
Cathode C1 cash cost[1] ($/pound payable copper produced)	4.81	3.82	3.68	3.00	3.62	3.53
Combined C1 cash cost[1] ($/pound payable copper produced)	2.46	3.82	3.68	2.78	2.53	3.00
Adjusted EBITDA[1] ($ millions)	92.7	2.6	10.9	45.1	78.2	136.8

[2] *Adjustments based on final settlements will be made in future quarters.*
[3] *Production shown on a 100% basis.*

2025 versus 2024 Insights

Q1 2025 copper production of 22,540 tonnes was 138% higher than Q1 2024 mainly due to copper in concentrate production of 16,268 tonnes, partially offset by lower cathode production mainly driven by lower oxide copper grades as a result of mine sequence (0.30% in Q1 2025 versus 0.36% in Q1 2024) and lower heap recoveries driven by ore characteristics.

In Q1 2025, Mantoverde's new sulphide concentrator delivered strong operational performance despite a planned 5-day maintenance shutdown and a nationwide power outage in Chile, both occurring in February. Monthly plant throughput varied, with January and March exceeding nameplate capacity at 33,409 tpd and 34,294 tpd respectively, while February throughput declined to 25,235 tpd due to the aforementioned planned shutdown and power outage. Overall, plant throughput averaged 31,171 tpd for the quarter. Copper grades averaged 0.71%,

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

and copper recoveries continued their upward trajectory, averaging 82.3% - a notable improvement from 74.4% in Q4 2024. March also marked a new peak of 45,153 tpd achieved over a 24 hour period. These operational gains supported record quarterly copper production of 16,268 tonnes, up 20% from Q4 2024, highlighting ongoing ramp-up success and the increasing plant stability since first production in June 2024.

Q1 2025 combined C1 cash costs[1] were $2.46/lb, 36% lower than $3.82/lb in Q1 2024, mainly related to higher production driven by the new concentrate plant (-$1.38/lb). Q1 2025 cathode C1 cash costs[1] were 26% higher compared to Q1 2024, mainly due to lower cathode production driven by lower heap grade ($0.90/lb) and higher acid prices ($179/t in Q1 2025 versus $145/t in Q1 2024) partially offset by lower acid consumption driven by lower throughput ($0.09/lb).

Capital Expenditures

Sustaining capital[1] in Q1 2025 of $11.9 million was spent primarily in sulphide plant capital spare parts, major components and tailings works. Capitalized stripping in Q1 2025 was $14.5 million, lower than the same period last year due to last year stripping in sulphide pushbacks. Right-of-use-assets additions related to leases for new hauling and front loader trucks to replace legacy contractor and rental fleets.

Capitalized exploration expenditures totaled $3.8 million for Q1 2025. This was primarily spent on exploration drilling at MV07, East Wall, West Wall and Manto Ruso, all of which are MV-Optimized related pits.

($ millions)	**Q1 2025**	**Q1 2024**
Capitalized stripping	**14.5**	20.2
Sustaining capital[1]	**11.9**	5.5
Expansionary capital[1]	**0.1**	19.8
Capitalized interest and other on construction in progress	**—**	23.0
Capitalized exploration	**3.8**	1.3
Right-of-use assets (non-cash)	**10.1**	46.6
Mantoverde mine additions	**40.4**	116.4

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

3.2 Mantos Blancos – Antofagasta, Chile

Operating Statistics

	2025	2024				
	Q1	Q1	Q2	Q3	Q4	Total
Production (contained metal and cathode)[2]						
Copper in Concentrate (tonnes)	12,272	9,163	8,170	8,246	12,165	37,744
Cathode (tonnes)	1,574	1,804	1,900	1,728	1,398	6,830
Total Copper (tonnes)	13,846	10,967	10,070	9,974	13,563	44,574
Mining						
Waste (000s tonnes)	14,533	13,203	14,042	14,310	14,263	55,818
Ore (000s tonnes)	2,775	3,413	3,185	3,671	2,526	12,795
Total mined (000s tonnes)	17,308	16,616	17,227	17,981	16,789	68,613
Strip Ratio (Waste:Ore)	5.24	3.87	4.41	3.90	5.65	4.36
Rehandled ore and stockpile movements (000s tonnes)	2,831	1,603	1,662	1,614	2,272	7,151
Total material moved (000s tonnes)	20,139	18,219	18,889	19,595	19,061	75,764
Mill operations						
Throughput (000s tonnes)	1,723	1,293	1,476	1,296	1,801	5,866
Tonnes per day	19,141	14,214	16,219	14,079	19,579	16,027
Grade (%)[3]	0.89	0.87	0.76	0.77	0.84	0.81
Recoveries (%)[3]	80.4	81.2	73.2	82.4	80.1	79.2
Dump operations						
Throughput (000s tonnes)	2,298	1,721	1,896	1,950	1,128	6,695
Grade (%)[3]	0.12	0.17	0.16	0.12	0.13	0.15
Silver						
Production contained (000s ounces)	245	201	189	189	251	830
Payable copper produced (tonnes)	13,428	10,655	9,791	9,694	13,150	43,290
Sulphides C1 cash cost[1] ($/pound payable copper produced)	2.23	2.98	3.43	3.40	2.30	2.95
Cathode C1 cash cost[1] ($/pound payable copper produced)	3.96	3.43	3.15	3.44	3.70	3.41
Combined C1 cash cost[1] ($/pound payable copper produced)	2.43	3.05	3.38	3.41	2.45	3.02
Adjusted EBITDA[1] ($ millions)	48.1	20.5	21.1	10.7	51.7	104.0

[2] *Adjustments based on final settlements will be made in future quarters.*
[3] *Grade and recoveries were estimated based on concentrate production and may be impacted by settlements from prior production periods.*

2025 versus 2024 Insights

Q1 2025 copper production of 13,846 tonnes, composed of 12,272 tonnes of copper in concentrate from sulphide operations and 1,574 tonnes of cathodes, was 26% higher than Q1 2024, due to higher sulphide mill throughput (19,141 tpd in Q1 2025 versus 14,214 tpd in Q1 2024) due to the successful concentrator ramp-up in 2024 and higher sulphides feed grades as a result of mine sequence (0.89% in Q1 2025 versus 0.87% in Q1 2024).

Since the installation of new equipment in the tailings handling area in Q3 2024, Mantos Blancos sulphide operations have exceeded the plant's nameplate milling capacity in November (average 20,271 tpd), December (20,007 tpd), January (20,628 tpd), and March (20,005 tpd). Operations in February (16,540 tpd) were impacted by a planned maintenance shutdown and the previously mentioned nationwide power outage in Chile.

Combined Q1 2025 C1 cash costs[1] of $2.43/lb ($2.23/lb sulphides and $3.96/lb cathodes) were 20% lower compared to $3.05/lb in Q1 2024 mainly due to higher production in line with plan (-$0.48/lb), lower diesel prices ($0.62/l in Q1 2025 versus $0.76/l in Q1 2024) (-$0.07/lb), lower mine costs (-$0.10/lb) and lower treatment and selling costs (-$0.13/lb), partially offset by higher diesel, explosive and energy consumption ($0.11/lb) due to higher material moved driven by higher mill throughput, higher acid and energy prices ($0.04/lb).

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

Capital Expenditures

Sustaining capital[1] in Q1 2025 of $11.7 million was spent primarily on mining and plant equipment component replacements, an environmental compliance program, and the new equipment for East Dump project. Capitalized stripping in Q1 2025 was $21.7 million, higher than the same period last year due to mine sequence.

Capitalized exploration expenditures totaled $2 million for Q1 2025. This was primarily spent on infill drilling at Mantos Blancos phase 15, 16 and 23.

($ millions)	**Q1 2025**	**Q1 2024**
Capitalized stripping	**21.7**	17.3
Sustaining capital[1]	**11.7**	7.8
Capitalized exploration	**2.0**	0.8
Right-of-use assets (non-cash)	**1.0**	—
Mantos Blancos mine additions	**36.4**	25.9

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

3.3 Pinto Valley Mine – Miami, Arizona

Operating Statistics

	2025	2024				
	Q1	Q1	Q2	Q3	Q4	Total
Production (contained)[2]						
Copper in Concentrate (tonnes)	10,257	14,892	15,245	13,257	10,746	54,140
Cathode (tonnes)	629	780	749	723	880	3,132
Total Copper (tonnes)	10,886	15,672	15,994	13,980	11,626	57,272
Mining						
Waste (000s tonnes)	4,284	2,770	3,368	3,442	3,131	12,711
Ore (000s tonnes)[4]	4,311	4,616	5,257	3,981	3,935	17,789
Total mined (000s tonnes)[4]	8,595	7,386	8,625	7,423	7,066	30,500
Strip Ratio (Waste:Ore)[4]	0.99	0.60	0.64	0.86	0.80	0.71
Rehandled ore, stockpile movements (000s tonnes)[4]	1,723	1,075	583	1,409	1,393	4,459
Total material moved (000s tonnes)	10,318	8,461	9,207	8,832	8,459	34,959
Mill operations						
Throughput (000s tonnes)	4,464	4,774	5,043	4,132	4,154	18,103
Tonnes per day	49,597	52,458	55,420	44,915	45,148	49,461
Grade (%)[3]	0.28	0.36	0.36	0.37	0.30	0.34
Recoveries (%)[3]	83.2	87.7	87.7	87.4	86.0	87.4
Payable copper produced (tonnes)	10,526	15,151	15,460	13,516	11,250	55,377
Copper C1 cash cost[1] ($/pound payable copper produced)	3.84	2.53	2.46	2.92	3.30	2.77
Adjusted EBITDA[1] ($ millions)	4.9	38.8	81.0	38.9	5.9	164.6

[2] *Adjustments based on final settlements will be made in future quarters.*
[3] *Grade and recoveries were estimated based on concentrate production and may be impacted by settlements from prior production periods.*
[4] *Certain of prior period comparative figures have been reclassified to conform with the current year's presentation.*

2025 versus 2024 Insights

Q1 2025 copper production was 31% lower than Q1 2024 on lower mill throughput (49,597 tpd in Q1 2025 versus 52,458 tpd in Q1 2024) due to unscheduled downtime, lower feed grade tied to current quarter mine plan sequence (0.28% in Q1 2025 versus 0.36% in Q1 2024) and lower recoveries (83.2% Q1 2025 versus 87.7% Q1 2024) due to higher acid soluble ratio and lower grade ore. In line with sustaining capital guidance, over the next two quarters twelve new haul trucks will be incrementally delivered and assembled, to complement the new shovel received at the end of 2024. The new trucks will be used to drive incremental material movement in the mine.

Q1 2025 C1 cash costs[1] of $3.84/lb were 52% higher compared to the same period last year of $2.53/lb primarily due to lower production volume ($1.15/lb) and increased operating costs ($0.27/lb) due to higher spend on equipment maintenance and contractors cost, higher liquidation of stockpiles ($0.12/lb), partially offset by lower treatment, selling and transportation costs (-$0.25/lb).

Capital Expenditures

Sustaining capital[1] in Q1 2025 of $12.4 million was spent primarily on infrastructure upgrades for roads, the tailings buttress project and mining equipment component replacements.

($ millions)	Q1 2025	Q1 2024
Capitalized stripping	**7.4**	8.4
Sustaining capital[1]	**12.4**	5.8
Expansionary capital[1]	**0.8**	0.6
Pinto Valley mine additions	**20.6**	14.8

3.4 Cozamin Mine – Zacatecas, Mexico

Operating Statistics

	2025	2024				
	Q1	Q1	Q2	Q3	Q4	Total
Production (contained)[2]						
Copper (tonnes)	6,524	6,006	6,152	6,025	6,724	24,907
Silver (000s ounces)	347	346	355	369	392	1,462
Mining						
Ore (000s tonnes)	332	306	325	337	335	1,303
Mill operations						
Milled (000s tonnes)	328	314	323	332	342	1,311
Tonnes per day	3,641	3,447	3,551	3,609	3,716	3,581
Copper						
Grade (%)[3]	2.05	1.98	1.97	1.88	2.03	1.96
Recoveries (%)	96.9	96.9	96.7	96.6	96.9	96.8
Silver						
Grade (g/t)[3]	38.9	40.6	40.6	42.9	43.3	41.9
Recoveries (%)	82.6	82.4	82.5	82.7	83.1	82.7
Payable copper produced (tonnes)	6,265	5,773	5,913	5,788	6,461	23,935
Copper C1 cash cost[1] ($/pound payable copper produced)	1.28	1.93	1.74	1.82	1.55	1.75
Adjusted EBITDA[1] ($ millions)	43.6	26.2	38.6	32.3	31.2	128.3

[2] *Adjustments based on final settlements will be made in the future quarters.*
[3] *Grade and recoveries were estimated based on concentrate production and may be impacted by settlements from prior production periods.*

2025 versus 2024 Insights

Q1 2025 copper production was 9% higher than Q1 2024 due to higher grades (2.05% in Q1 2025 versus 1.98% in Q1 2024), consistent with the mine plan and higher mill throughput (3,641 tpd in Q1 2025 versus 3,447 tpd in Q1 2024). Recoveries were consistent with the same period previous year.

Q1 2025 C1 cash costs[1] were $1.28/lb, 34% lower than $1.93/lb in Q1 2024 due to lower operating costs on improvements in contractors utilization, slightly lower rates on power, and the impact of a weaker Mexican peso (-$0.31/lb), as well as higher by-products credits due to higher silver prices (-$0.23/lb) and lower treatment and selling costs in 2025 (-$0.12/lb).

Capital Expenditures

Sustaining capital[1] spending at Cozamin of $4.4 million for Q1 2025, mainly related to mine development and mine equipment.

Capitalized exploration expenditures totaled $0.7 million for Q1 2025. This was primarily spent on step-out and infill drilling at the Mala Noche Main Vein West Target, and step-out drilling down-dip of other historical Mala Noche Vein workings.

($ millions)	Q1 2025	Q1 2024
Sustaining capital[1]	**4.4**	6.3
Capitalized exploration	**0.7**	0.2
Right-of-use assets (non-cash)	**0.1**	0.1
Cozamin mine additions	**5.2**	6.6

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

3.5 Santo Domingo Project – Chile (Copper, Iron, and Gold)

Capital Expenditures

Expansionary capital[1] in Q1 2025 of $16.3 million was primarily spent on the 2% NSR royalty buyback ($10.0 million), with the remainder spent on detailed engineering, permits and communities commitments, labour and office costs.

($ millions)	Q1 2025	Q1 2024
Capitalized project costs	**6.3**	5.1
ENAMI royalty buyback	**10.0**	—
Total	**16.3**	5.1

3.6 Exploration

($ millions)	Q1 2025	Q1 2024
Exploration expensed to income statement	**0.5**	0.3
Exploration capitalized to mineral properties:		
Mantoverde	**3.8**	1.3
Mantos Blancos	**2.0**	0.8
Cozamin	**0.7**	0.2
Total exploration	**7.0**	2.6

Exploration Update

Capstone Copper's exploration team is predominantly focused on organic growth opportunities to expand Mineral Resources and Mineral Reserves at all four mines and at the Santo Domingo development project. Capstone Copper also recently acquired Sierra Norte and maintains a portfolio of 100% owned claims acquired by staking in Sonora, Mexico and in Northern Chile.

At Mantoverde during Q1 2025, exploration activities focused on continuing ramping up exploration drilling activities with five rigs on site. The program considers a first phase of $10 million budget (~30,000 meters) to target the areas closer to the MV Optimized pit focusing on improving copper grades and mineralization continuity within and nearby the pit boundaries and additionally to test selected areas north of the pit with the potential to increase Mineral Resources. A 46 line-km Induced Polarization geophysical survey was completed in Q1 2025 with the focus to follow-up on previous results and to cover the northern extension (~10km long) of the projection of the prospective Atacama Fault System.

At Mantos Blancos, infill drilling continued during Q1 2025, with a focus on phases 15, 16, and 23.

At Sierra Norte, work continued in Q1 2025, with the review and validation of the historical drilling database and the geological model of the deposit. Re-logging of representative cross sections and re-assay program are underway to generate an updated geological model and drilling database.

At Cozamin during Q1 2025, exploration drilling continued targeting step-outs up-dip and down-dip from the Mala Noche West Target, and also down-dip of other historical Mala Noche Vein workings. Drilling was conducted with one underground rig positioned at the level 19.1 cross-cut, a second underground rig positioned at the level 12.7 cross-cut, and one surface rig.

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

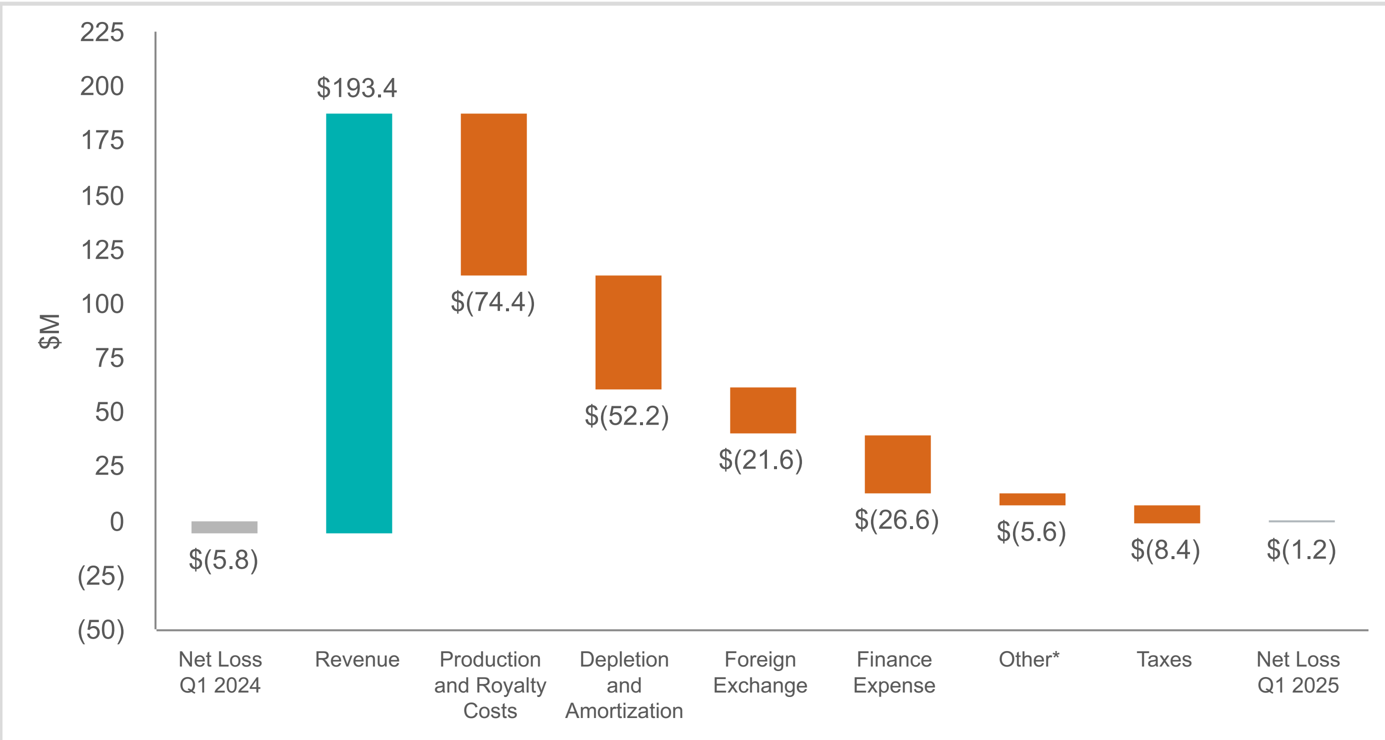
4.0 FINANCIAL REVIEW

4.1 Consolidated Results

Consolidated Net Loss Analysis

Net Loss for the Three Months Ended March 31, 2025 and 2024

The Company recorded a net loss of $1.2 million for the three months ended March 31, 2025, compared with a net loss of $5.8 million in Q1 2024. The major differences are outlined below:



** Other includes non-significant expenses and income, such as share-based compensation, general and administrative expenses, losses on derivatives and other expenses/income.*

The difference quarter-over-quarter was driven by:

- Revenue: $193.4 million or 57% increase, driven by higher realized copper prices[1] (Q1 2025 - $4.36 per pound, Q1 2024 - $3.85 per pound) and higher copper volumes sold (Q1 2025 – 53.1 thousand tonnes, Q1 2024 – 41.0 thousand tonnes) on higher production (Q1 2025 – 53.8 million tonnes, Q1 2024 – 42.1 million tonnes) primarily related to the 2024 ramp-up at MVDP.
- Production and Royalty costs: $74.4 million increase primarily driven by:
  - Mantoverde recorded $64.6 million higher production costs in Q1 2025 compared to Q1 2024 primarily due to the ramp-up of copper concentrates at MVDP resulting in higher copper volumes sold (Q1 2025 - 24.2 thousand tonnes vs. Q1 2024 - 9.8 thousand tonnes).
  - Pinto Valley recorded $10.8 million higher production costs in Q1 2025, compared to Q1 2024 as a result of higher contactor costs and mechanical parts related to repairs and maintenance, offset by lower copper volumes sold (Q1 2025 – 10.1 thousand tonnes, Q1 2024 – 14.5 thousand tonnes).
- Depletion and amortization: $52.2 million increase primarily related to higher copper volumes sold and the start of depletion and amortization at MVDP post commercial production.
- Foreign exchange: Q1 2025 experienced a loss of $8.9 million on foreign exchange compared to a gain of $12.7 million in Q1 2024, resulting in a $21.6 million change.
- Finance expense: $26.6 million increase primarily due to an increase in accretion and interest on leases, and interest on debt, which includes MVDP interest no longer capitalized as commercial production was achieved at the end of Q3 2024.
- Income taxes expense: $8.4 million increase primarily due to an increase in Mexican and Chilean mining royalty taxes in Q1 2025 compared to Q1 2024.

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

4.2 Revenue Analysis

Revenue increased quarter-on-quarter ($533.3 million versus $339.9 million in Q1 2024) primarily due to a higher realized copper price[1] ($4.36 per pound versus $3.85 per pound in Q1 2024), and higher copper volumes sold (53.1 thousand tonnes versus 41.0 thousand tonnes in Q1 2024).

Revenue by Mine

($ millions)	Q1 2025[2]		Q1 2024[2]	
Mantoverde	**252.9**	**47.4 %**	82.8	24.4 %
Mantos Blancos	**121.7**	**22.8 %**	88.1	25.9 %
Pinto Valley	**99.3**	**18.6 %**	118.7	34.9 %
Cozamin	**69.7**	**13.1 %**	52.9	15.6 %
Corporate[3]	**(10.3)**	**(1.9)%**	(2.6)	(0.8)%
Total revenue	**533.3**	**100.0 %**	339.9	100.0 %

[2] The current and subsequent periods may include final settlement quantity and/or price adjustments from prior shipments.
[3] The Corporate revenue is related to the net changes on quotational period hedges.

Provisionally Priced Copper

Gross revenue for the three months ended March 31, 2025, includes 59.0 thousand tonnes of copper sold subject to final settlement. Of this, the prices for 24.4 thousand tonnes are final at a weighted average price of $4.15 per pound. The remaining 34.7 thousand tonnes are subject to price change upon final settlement at the end of the applicable quotational period, as follows:

Quotational Period	Mantoverde	Mantos Blancos	Pinto Valley	Cozamin	Total	($/pound) Provisional Price
Apr-2025	5.9	3.7	5.6	2.2	17.4	4.38
May-2025	2.4	0.9	—	—	3.3	4.40
Jun-2025	5.3	—	1.9	1.9	9.1	4.40
Jul-2025	2.8	—	2.1	—	4.9	4.41
Total	16.4	4.6	9.6	4.1	34.7	4.40

Provisional pricing is a term in copper concentrate and copper cathode sales agreements that provides for provisional pricing of sales at the time of shipment, with final pricing being based on the monthly average LME copper price for specific future periods, normally ranging from one to four months after delivery to the customer. The difference between provisional invoice price and final invoice price is recognized in net earnings.

Of the 34.7 thousand tonnes subject to price change upon final settlement, 17.1 thousand tonnes have been hedged as at March 31, 2025, and 8.2 thousand tonnes of March sales were hedged in April 2025. The remaining 9.4 thousand tonnes are not hedged as these volumes have a declared quotational period of April 2025, which the quotational period hedging program is designed to achieve average LME price of the month after month of shipment.

[1] These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".

Reconciliation of Realized Copper Price[1]

Realized price per pound is a non-GAAP ratio that is calculated using the non-GAAP measures of revenue on new shipments, revenue on prior shipments, and pricing and volume adjustments. Realized prices exclude the stream cash effects as well as treatment and refining charges. Management believes that measuring these prices enables investors to better understand performance based on the realized copper sales in the current and prior periods.

($ millions, except as noted)	Q1 2025	Q1 2024
Gross copper revenue		
Gross copper revenue on new shipments	**502.2**	347.0
Realized pricing and volume adjustments on copper revenue	**3.0**	1.3
Unrealized pricing and volume adjustments on copper revenue	**5.6**	(1.1)
Gross copper revenue including pricing and volume adjustments	**510.8**	347.2
Gross copper revenue on new shipments ($/pound)	**4.29**	3.84
Realized pricing and volume adjustments on copper revenue ($/pound)	**0.03**	0.02
Unrealized pricing and volume adjustments on copper revenue ($/pound)	**0.04**	(0.01)
Realized copper price[1] ($/pound)	**4.36**	3.85
LME average copper price ($)	**4.24**	3.83
LME close price ($)	**4.39**	3.96
Gross copper revenue - reconciliation to financials		
Gross copper revenue including pricing and volume adjustments	**510.8**	347.2
Revenue from other metals	**34.8**	9.4
Treatment and selling	**(12.3)**	(16.7)
Revenue per financials	**533.3**	339.9
Payable copper sold (tonnes)	**53,134**	40,996

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled "Non-GAAP and Other Performance Measures".*

4.3 Consolidated Cash Flow Analysis

($ millions)	Q1 2025	Q1 2024
Operating cash flow before changes in working capital	**166.1**	62.1
Changes in non-cash working capital	**(46.0)**	(22.6)
Other non-cash changes	**1.7**	(0.9)
Total cash flow from operating activities	**121.8**	38.6
Total cash flow used in investing activities	**(107.0)**	(116.9)
Total cash flow from financing activities	**197.2**	84.7
Effect of foreign exchange rates on cash and cash equivalents	**0.1**	(1.4)
Net change in cash and cash equivalents	**212.1**	5.0
Opening cash and cash equivalents	**131.6**	126.0
Closing cash and cash equivalents	**343.7**	131.0

	March 31, 2025	December 31, 2024
Total assets	**6,634.7**	6,365.0
Total non-current financial liabilities	**1,230.9**	977.9

Operating Activities

Cash flow generated from operating activities was $121.8 million during Q1 2025, an increase of $75.4 million compared to Q1 2024. Operating cash flow before changes in non-cash working capital was $166.1 million, reflecting an increase of $104.0 million compared to Q1 2024. The increase in operating cash flow before changes in working capital was primarily related to the result of higher copper sales revenue due to a higher sales volume from the start-up of concentrate sales from Mantoverde and a higher realized copper price.

Changes in non-cash working capital items resulted in a use of cash of $46.0 million in Q1 2025 compared to a use of cash of $22.5 million in the same period last year, which mainly related to an increase in accounts receivable as MVDP completed its ramp-up and normalized working capital levels.

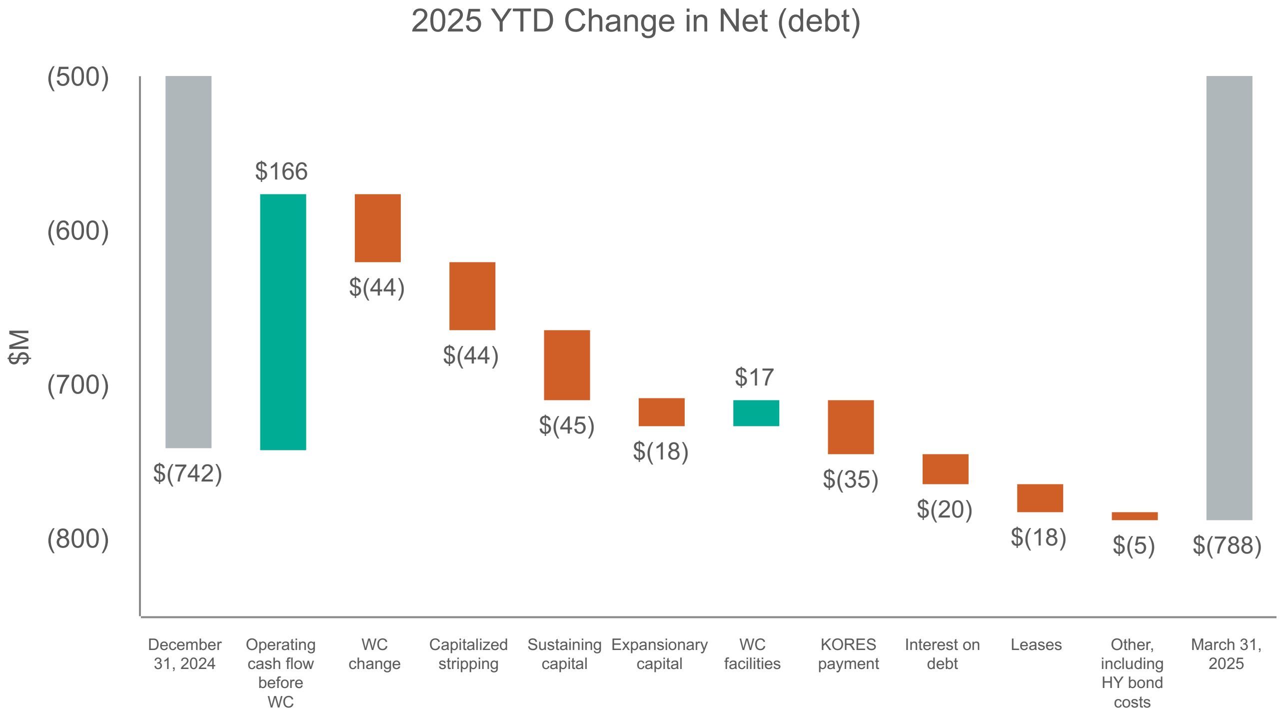
Investing Activities

Q1 2025 expenditures on property plant and equipment was $107.0 million which included $43.6 million on capitalized stripping, $45.2 million on sustaining capital and $18.2 million on expansionary capital, mainly at Santo Domingo Project which included $10.0 million for the buyback of the 2% royalty from ENAMI.

Financing Activities

Q1 2025 cash flow from financing activities was $197.2 million which included the net proceeds of $590.7 million from the 6.750% Notes offering, a $326 million net repayment of the Revolving Credit Facility, $34.6 million payment to KORES under the Share Purchase Agreement, $20.0 million of interest payments on long-term debt and surety bonds, and $17.7 million lease payments.

4.4 Liquidity and Financial Position



Capstone Copper's available liquidity[1] as at March 31, 2025, was $1,044.5 million, which included $344.5 million of cash and cash equivalents and short-term investments, and $700 million of undrawn amounts on the $700 million RCF.

The increase in Net (debt)[1] as at March 31, 2025, compared to December 31, 2024, is primarily attributable to an build-up of working capital from an increase in accounts receivable, capital spend on projects including capitalized stripping, the final payment to KORES under the 2021 Share Purchase Agreement, interest on debt and finance lease payments, partially offset by strong operating cash flow from a higher copper production and a higher realized copper price.

Credit Facilities

Senior Unsecured Notes
On March 25, 2025, the Company completed an offering of $600 million aggregate principal amount of senior unsecured notes due March 2033 (the “Senior Notes”). The Senior Notes bear interest at 6.75%, payable semi-annually in March and September of each year.

The Senior Notes are guaranteed on an unsecured basis by each of the Company’s subsidiaries that provides a guarantee of the Revolving Credit Facility.

Revolving Credit Facility
On September 22, 2023, Capstone Copper amended its Revolving Credit Facility "RCF" to increase the aggregate commitments from $600 million to $700 million and extended the maturity from May 2026 to September 2027. At March 31, 2025, $— million was drawn on the RCF.

Mantoverde Development Project Facility
In order to fund the construction of MVDP, the Company secured a senior secured amortizing project debt facility in an aggregate amount of $520 million (the "MVDP Facility", comprising the “Covered Facility” $250 million, the “Uncovered Facility” $210 million, and the “ECA Direct Facility” $60 million). The MVDP Facility amortization period commenced on September 30, 2024, and continues until December 2030 for the Uncovered Facility and December 2032 for the Covered Facility and ECA Direct Facility. At March 31, 2025, $477.5 million was drawn on

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled “Non-GAAP and Other Performance Measures”.*

the MVDP Facility. The Company intends to apply the net proceeds from the Senior Unsecured Notes to repay the project financing debt at its Mantoverde S.A. subsidiary.

Working Capital Facilities
Two of the Company's Chilean subsidiaries entered into a series of working capital facilities with a weighted average interest rate of 2.70% for the purpose of working capital management. As at March 31, 2025, the aggregate balance of the facilities was $133.8 million, including accrued interest of $1.8 million. The working capital facilities are included in Other Liabilities on the consolidated statement of financial position.

As at March 31, 2025, Capstone Copper was in a net (debt)[1] position of $788.1 million with $1,077.5 million long-term debt drawn in total, and $55.1 million drawn on the COF with Mitsubishi Materials Corporation ("MMC"), which is presented in Due to Related Party on the consolidated balance sheet. As at March 31, 2025, the $1077.5 million of long-term debt drawn consists of $477.5 million drawn on the MVDP facility, $600.0 million on the Senior Notes and $0.0 million drawn on the RCF. The current portion of the MVDP facility is $95.8 million.

Mantoverde Cost Overrun Facility ("COF")
MMC agreed to provide a $60 million COF in exchange for additional offtake of copper concentrate production under a 10-year contract. The COF initially carried an interest rate of 3-month US$ LIBOR plus 1.70% and amortizing over 37 quarters from September 30, 2024. As a result of Interest Rate Benchmark Reform, the Company completed the transition from LIBOR to an adjusted secured overnight financing rate ("SOFR") with MMC. The transition resulted in a variable rate of SOFR compounded daily to a 3-month period plus 0.2616% per annum, with margins unchanged. At March 31, 2025, $55.1 million was drawn on the COF.

Hedging
The Company has hedging programs for copper commodity, foreign exchange rates, interest rates, and provisionally priced sales contracts. Below is a summary of the fair values of unsettled derivative financial instruments for the Company's hedging contracts recorded on the consolidated statement of financial position. As at March 31, 2025, the Company held no derivatives designated as hedged instruments under formal hedge accounting.

	March 31, 2025	December 31, 2024
Derivative financial assets:		
Foreign currency contracts	**$ 53**	$ —
Quotational pricing contracts	**—**	5,993
Copper commodity contracts	**1,008**	10,545
Interest rate swap contracts	**15,451**	19,803
Total derivative financial assets	**$ 16,512**	$ 36,341
Derivative financial liabilities:		
Foreign currency contracts	**773**	3,709
Copper commodity contracts	**—**	—
Quotational pricing contracts	**4,047**	—
Total derivative financial liabilities	**$ 4,820**	$ 3,709

Financial Capability
The Company’s ability to service its ongoing obligations and cover anticipated corporate, exploration and development costs associated with its existing operations is dependent on the Mantoverde, Mantos Blancos, Pinto Valley,and Cozamin mines generating positive cash flow and available liquidity[1]. We have reasonable expectations for the Company's operating performance, additional liquidity options are available such as debt and capital market access, the RCF of $700 million, which is fully undrawn, and the hedging programs described above, which all provide protection and significant available liquidity.

[1] *These are non-GAAP performance measures. Refer to the MD&A section titled “Non-GAAP and Other Performance Measures”.*

On February 8, 2024, the Company and Orion closed a bought deal financing with a syndicate of underwriters. In connection with the Offering, 56,548,000 Common Shares were issued by the Company with a value of C$6.30 per common share raising total proceeds, net of transaction costs, of $252.9 million.

On April 5, 2024, the Company and Orion announced that Orion entered into a block trade agreement to sell 62.4 million Clearing House Electronic Subregister System ("CHESS") depository interests (“CDIs”) of Capstone Copper (or the equivalent of 62.4 million fully paid Common Shares of Capstone Copper) at a price of A$9.50 per CDI, for gross proceeds to Orion of approximately A$592.8 million. Post transaction, Orion owns 90.5 million common shares, representing approximately 12.0% of the outstanding common shares of Capstone Copper.

Outstanding Share Data and Dilution Calculation

The Company is authorized to issue an unlimited number of common shares without par value. The table below summarizes the Company’s common shares and securities convertible into common shares as at May 1, 2025:

Issued and outstanding	762,190,166
Share options outstanding at a weighted average exercise price of $7.19	3,851,064
Treasury share units outstanding at a weighted average exercise price of $6.69	3,710,742
Fully diluted	769,751,972

Under the Treasury Share Unit Plan, the Company has the ability to settle the units in shares up to 3.5% of the total issued and outstanding common shares of Capstone Copper.

Capital Management

The Company’s capital consists of the items included in shareholders’ equity, long-term debt net of cash and cash equivalents, short-term investments, and investments in marketable securities. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company’s assets.

To effectively manage its capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company ensures that there are sufficient committed loan facilities to meet its short-term business requirements, taking into account its anticipated operational cash flows and its cash and cash equivalents, short-term deposits and investments in marketable securities.

The Senior Notes, RCF and MVDP debt facility contain various affirmative, financial and restrictive covenants, including: interest coverage ratios, leverage ratios, other financial ratios and obligations to maintain the security interests in favour of the lenders over substantially all of the respective project’s property and shares, insurance coverage, maintenance of offtake agreements, compliance with environmental and social matters, restrictions on new financial indebtedness, distributions and dispositions, as well as effecting certain hedging strategies as detailed in the lending agreements. As at March 31, 2025, the Company was in compliance with the covenants and requirements of the Senior Notes, RCF and MVDP debt facility.

4.5 Commitments

Royalty Agreements

Under the terms of the December 2003 option agreement with Grupo Minera Bacis S.A. de C.V. (“Bacis”), a subsidiary of the Company assumed a 100% interest in the Cozamin mine with a 3% net smelter royalty paid to Bacis on all payable metal sold from production on the property covered by the agreement.

In connection with the financing of the Mantos Blancos Debottlenecking Development Project, Mantos Copper S.A. entered into a royalty agreement with Southern Cross Royalties Limited ("Southern Cross"). Southern Cross is entitled to a 1.525% net smelter royalty on copper production. The royalty is for a period initially through January 1, 2035 that may be extended by Southern Cross at its sole discretion through the duration of the mining rights and is subject to the Company's option to reduce the royalty amount by 50% any time after January 1, 2023, subject to a one-time payment.

Agreement with Osisko Bermuda Limited ("Osisko")
Pursuant to a long-term streaming agreement made in 2015, that covers the life of mine, the Company delivers 100% of the payable silver sold by Mantos Blancos to Osisko Bermuda Limited ("Osisko"). Osisko pays a cash price of 8% of the spot price at the time of each delivery, in addition to an upfront acquisition price previously paid. After 19.3 million ounces of silver have been delivered under the agreement, the stream will be reduced to 40%. Mantos Blancos has delivered 6.6 million silver ounces from contract inception until March 31, 2025.

Agreement with Jetti Resources, LLC ("Jetti")
Under the terms of the 2019 agreement, the Company is required to make quarterly royalty payments to Jetti based on an additional net profits calculation resulting from cathode production at the Pinto Valley mine. The initial term of the agreement is ten years, renewable for 5-year terms thereafter.

Offtake agreements
The Company entered into an offtake agreement with Boliden Commercial AB ("Boliden") for 75,000 tonnes of copper concentrates in each contract year. The offtake agreement expires ten years after the commencement of commercial production at the MVDP, subject to potential extension if less than 750 thousand tonnes of copper concentrates have been delivered at the contract term.

MMC agreed to provide a $60 million COF in exchange for additional offtake of copper concentrate production under a 10-year contract. The offtake agreement includes Mantoverde agreeing to sell 30% of its annual copper production per year delivered for its equivalent in copper concentrates, plus an additional amount of 30,000 tonnes of copper concentrate as a result of fully utilizing the COF that was provided by MMC in connection with the MVDP. The agreement between MMC and Mantoverde to sell 30% of its annual copper production is for the duration of the Mantoverde commercial mine life. The amount payable for copper is based on average LME prices, subject to certain terms.

Construction of wastewater treatment plant
On January 31, 2025, the Company signed a 35-year agreement with Empresa Concesionaria de Servicios Sanitarios S.A. ("ECONSSA") to secure a long-term water supply by reusing treated wastewater from Antofagasta and increasing water recycling at the Mantos Blancos mine. The project involves a third-party constructing a wastewater treatment plant, expected to be operational in 2028. The agreement entails future capital commitments in 2028 and 2033 proportionate to the Company's share of treated wastewater from the plant, potential cost savings from increased water reuse, and long-term supply security for the mine.

Construction and other operating contracts
The Company has contractual agreements extending until 2026 and 2033 to purchase water for operations at Mantos Blancos.

The Company has contractual agreements for the purchase of power for operations at Mantos Blancos and Mantoverde, extending until 2038 and 2039, respectively. The Company also entered into a contractual agreement for access to a power transmission plant for the Santo Domingo development project, for a period of 12 years from the date the transmission facility construction was completed, in Q4 2023.

Provisions

Provisions of $241.9 million at March 31, 2025, includes the following:

- $202.6 million for reclamation and closure cost obligations at Capstone Copper's operating mines;
- $36.7 million related to other long-term closure obligations at the Cozamin and Chilean mines;
- $1.4 million for the long-term portion of the Minto obligation as Minto ceased operations during Q2 2023 (see below) and the current portion $18.4 million is recorded in other liabilities; and
- $1.1 million for the long-term portion of the share-based payment obligations associated with the Share Unit Plan. The current portion of the share-based payment obligations of $5.7 million is recorded in other liabilities.

Minto Obligation
On June 3, 2019, the Company completed the sale of its 100% interest in the Minto Mine and in conjunction with the completion of the sale, Minto had posted a surety bond to cover potential future reclamation liabilities. The Company remains an indemnitor for Minto's previous C$72 million surety bond obligation in the Yukon. During Q2 2023, Minto ceased operations and the Yukon Government took over all reclamation activities. As Minto defaulted on the surety bond in Q2 2023, Capstone Copper has recognized a provision related to the Company's obligations towards the issuer of the surety bond. During the three months ended March 31, 2025, the Company made payments of $1.4 million, to the Yukon Government for reclamation work performed. As at March 31, 2025, the total remaining provision is $19.8 million, of which $18.4 million represents the current portion and is recorded in other current liabilities.

During Q2 2024, the Company came to an agreement with the issuer of the surety bond who held title to a C$10 million trust account designated for payment of future costs related to the Minto obligation, in which these funds would be released to Capstone Copper over the course of the next year. As at March 31, 2025, the remaining trust balance of C$3.7 million (US$ 2.6 million) remains in other receivables.

Precious Metal Streams
Cozamin Silver Stream
On February 19, 2021, Capstone Mining concluded the precious metals purchase arrangement with Wheaton Precious Metals Corp. ("Wheaton") whereby the Company received upfront cash consideration of $150 million against delivery of 50% of the silver production from the Company's Cozamin mine until 10 million ounces have been delivered, thereafter dropping to 33% of silver production for the remaining life of the mine. Cozamin has delivered 2.7 million silver ounces since contract inception until March 31, 2025. The agreement with Wheaton includes a completion test, which requires the completion of the paste backfill plant by December 31, 2023, and production of at least 105,000 cubic meters of suitable paste backfill for use in the underground operations at Cozamin over a consecutive 90-day period. During Q2 2024, the Company reached an agreement with Wheaton to extend the completion test period of the use of suitable paste backfill in the underground operations to September 30, 2024. During September 2024, the completion test requirements were successfully met.

The Company recorded the upfront cash consideration received as deferred revenue and recognizes amounts in revenue as silver is delivered under the arrangement. For the period ended March 31, 2025, the amount of the deferred revenue liability recognized as revenue $2.3 million. As at March 31, 2025, the silver stream deferred revenue balance was $118.5 million.

Santo Domingo Gold Stream
On April 21, 2021, Capstone Mining received an early deposit of $30 million in relation to the precious metals purchase arrangement with Wheaton effective March 24, 2021. If completion has not been achieved on or before the third-anniversary date of receiving the early deposit, an early deposit delay payment will be triggered that would require the Company to sell and deliver 104 ounces of refined gold per month until the earlier of: the month completion is achieved, the month in which the early deposit is repaid to Wheaton or the month which refined gold is first sold and delivered to Wheaton. In the fourth quarter of 2023, the Company recorded an obligation under the gold stream of $7.1 million. As at March 31, 2025, the value of the obligation is $10.8 million, and the Company has delivered 1.2 thousand gold ounces to Wheaton as part of the early deposit delay payment.

The Company recorded the upfront early deposit of $30 million received as deferred revenue and will recognize amounts in revenue as gold is delivered under the arrangement. For the period ended March 31, 2025, there was no amortization of the deferred revenue liability recognized as revenue. As at March 31, 2025, the gold stream deferred revenue balance was $38.9 million.

Purchase of Non-Controlling Interest from KORES
During March 2025, $34.6 million of the final installment of $45 million cash consideration was paid to KORES. The remaining $10.4 million of withholding tax payable to the Chilean government has been recognized as a long-term liability as it is payable in April 2026. During the three months ended March 31, 2025, $0.5 million (March 31, 2024 - $0.5 million) of accretion was recorded in finance expense in the consolidated statements of loss.

Off-Balance Sheet Arrangements

As at March 31, 2025, the Company had the following off-balance-sheet arrangements:

- those disclosed under Note 24 "Commitments" in the condensed interim consolidated financial statements for the three months ended March 31, 2025;
- seven surety bonds totalling $266.6 million.

4.6 Transactions with Related Parties

As described in the Nature of Business section, Capstone Copper has related party relationships, as defined by IFRS Accounting Standards, with its key management personnel.

Related party transactions and balances are disclosed under Note 12 "Non-Controlling Interest" in the condensed interim consolidated financial statements for the ended March 31, 2025.

4.7 Accounting Changes

Changes in Accounting Policies and Material Accounting Estimates and Judgments

Accounting policies as well as any changes in accounting policies are discussed in Note 3 "Material Accounting Policy Information, Estimates and Judgements" of the March 31, 2025 condensed interim consolidated financial statements.

New IFRS Accounting Standards Pronouncements

New IFRS Accounting Standards Pronouncements are discussed in Note 4 "Adoption of New and Revised IFRS Accounting Standards and IFRS Accounting Standards Not Yet Effective" of the March 31, 2025 condensed interim consolidated financial statements.

5.0 NON-GAAP AND OTHER PERFORMANCE MEASURES

The Company uses certain performance measures in its analysis. These Non-GAAP performance measures are included in this MD&A because these statistics are key performance measures that management uses to monitor performance, to assess how the Company is performing, and to plan and assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a standard meaning within IFRS Accounting Standards and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS Accounting Standards.

Some of these performance measures are presented in Highlights and discussed further in other sections of the MD&A. These measures provide meaningful supplemental information regarding operating results because they exclude certain significant items that are not considered indicative of future financial trends either by nature or amount. As a result, these items are excluded from management assessment of operational performance and preparation of annual budgets. These significant items may include, but are not limited to, restructuring and asset impairment charges, individually significant gains and losses from sales of assets, share-based compensation, unrealized gains or losses, and certain items outside the control of management. These items may not be non-recurring. However, excluding these items from GAAP or Non-GAAP results allows for a consistent understanding of the Company's consolidated financial performance when performing a multi-period assessment including assessing the likelihood of future results. Accordingly, these Non-GAAP financial measures may provide insight to investors and other external users of the Company's consolidated financial information.

Breakdown of C1 Cash Costs and All-in Sustaining Cost Per Pound of Payable Copper Produced

C1 cash costs per payable pound of copper produced is a measure reflective of operating costs per unit. C1 cash costs is calculated as cash production costs of metal produced net of by-product credits and is a key performance measure that management uses to monitor performance. Management uses this measure to assess how well the Company's producing mines are performing and to assess the overall efficiency and effectiveness of the mining operations and assumes that realized by-product prices are consistent with those prevailing during the reporting period.

All-in sustaining costs per payable pound of copper produced is an extension of the C1 cash costs measure discussed above and is also a non-GAAP key performance measure that management uses to monitor performance. Management uses this measure to analyze margins achieved on existing assets while sustaining and maintaining production at current levels. Consolidated All-in sustaining costs includes sustaining capital and corporate general and administrative costs.

Three Months Ended March 31, 2025

	Q1 2025									
	Mantoverde		Mantos Blancos		Pinto Valley		Cozamin		Total	
Payable copper produced (000s pounds)	**48,473**		**29,604**		**23,206**		**13,812**		**115,095**	
	($ million)	**$/lb[2]**	**($ million)**	**$/lb[2]**	**($ million)**	**$/lb[2]**	**($ million)**	**$/lb[2]**	**($ million)**	**$/lb[2]**
Production costs of metal produced (per financials)	145.3	3.00	66.5	2.25	86.6	3.73	23.9	1.73	**322.3**	**2.80**
Transportation cost to point of sale	(5.8)	(0.12)	(2.8)	(0.09)	(6.3)	(0.27)	(2.8)	(0.20)	**(17.7)**	**(0.15)**
Inventory (write-down) reversal	(0.3)	(0.01)	—	—	—	—	—	—	**(0.3)**	**—**
Inventory working capital adjustments	(11.5)	(0.24)	4.5	0.15	2.0	0.09	0.9	0.07	**(4.1)**	**(0.04)**
Cash production costs of metal produced	**127.7**	**2.63**	**68.2**	**2.30**	**82.3**	**3.55**	**22.0**	**1.59**	**300.2**	**2.61**
By-product credits	(21.3)	(0.44)	(0.6)	(0.02)	(3.3)	(0.14)	(7.4)	(0.53)	**(32.5)**	**(0.28)**
Treatment and selling costs	6.9	0.14	1.5	0.05	3.7	0.16	0.3	0.02	**12.3**	**0.11**
Transportation costs to point of sale	5.8	0.12	2.8	0.10	6.3	0.27	2.8	0.20	**17.7**	**0.15**
C1 cash cost	**119.1**	**2.46**	**71.9**	**2.43**	**89.0**	**3.84**	**17.7**	**1.28**	**297.7**	**2.59**
Royalties	—	—	1.8	0.06	0.8	0.03	1.0	0.07	**3.6**	**0.03**
Production-phase capitalized stripping	14.6	0.31	21.7	0.73	7.4	0.31	—	0.02	**43.7**	**0.38**
Sustaining capital	12.2	0.25	13.7	0.46	12.4	0.53	4.3	0.30	**42.6**	**0.37**
Sustaining lease payments	5.0	0.10	5.2	0.18	2.2	0.10	0.1	0.01	**12.5**	**0.11**
Accretion of reclamation obligation	0.5	0.01	0.7	0.02	0.9	0.04	0.6	0.04	**2.7**	**0.02**
Amortization of reclamation asset	0.2	—	0.2	0.01	—	—	0.5	0.03	**0.9**	**0.01**
Corporate G&A and sustaining capital									**9.2**	**0.08**
All-in sustaining cost adjustments	**32.5**	**0.67**	**43.3**	**1.46**	**23.7**	**1.01**	**6.5**	**0.47**	**115.2**	**1.00**
All-in sustaining cost	**151.6**	**3.13**	**115.2**	**3.89**	**112.7**	**4.85**	**24.2**	**1.75**	**412.9**	**3.59**
On-site costs										
Mining	44.3	0.91	14.5	0.50	25.2	1.10	14.0	1.02	98.0	0.85
Processing	75.3	1.55	47.4	1.58	48.2	2.07	4.8	0.34	175.7	1.53
Site G&A	8.1	0.17	6.3	0.22	8.9	0.38	3.2	0.23	26.5	0.23
Cash production costs of metal produced	**127.7**	**2.63**	**68.2**	**2.30**	**82.3**	**3.55**	**22.0**	**1.59**	**300.2**	**2.61**

[2] *Totals may not add based on amounts presented in this table due to rounding.*

Three Months Ended March 31, 2024

	Q1 2024									
	Mantoverde		Mantos Blancos		Pinto Valley		Cozamin		Total	
Payable copper produced (000s pounds)	20,891		23,490		33,402		12,727		90,510	
	($ million)	$/lb[3]	($ million)	$/lb[3]	($ million)	$/lb[3]	($ million)	$/lb[3]	($ million)	$/lb[3]
Production costs of metal produced (per financials)	80.7	3.86	67.2	2.86	75.8	2.27	25.4	2.00	249.1	0.90
Transportation cost to point of sale[2]	(0.5)	(0.02)	(2.5)	(0.11)	(7.5)	(0.22)	(1.9)	(0.15)	(12.5)	1.45
Inventory (write-down) reversal	0.7	0.03	0.1	—	—	—	—	—	0.8	0.28
Inventory working capital adjustments	(2.1)	(0.10)	0.9	0.04	1.1	0.03	0.7	0.06	0.7	2.63
Cash production costs of metal produced	78.8	3.77	65.7	2.79	69.4	2.08	24.2	1.90	238.1	2.63
By-product credits[2]	—	—	(0.3)	(0.01)	(1.9)	(0.06)	(4.3)	(0.34)	(6.5)	(0.07)
Treatment and selling costs[2]	0.5	0.02	3.9	0.16	9.5	0.28	2.8	0.22	16.7	0.18
Transportation costs to point of sale[2]	0.5	0.02	2.5	0.11	7.5	0.22	1.9	0.15	12.5	0.13
C1 cash cost	79.8	3.82	71.8	3.05	84.5	2.53	24.6	1.93	260.8	2.88
Royalties	—	—	1.3	0.06	0.6	0.02	0.9	0.07	2.8	0.03
Production-phase capitalized stripping	1.3	0.06	17.2	0.74	—	—	—	0.02	18.5	0.21
Sustaining capital	5.1	0.25	6.5	0.27	5.8	0.18	6.2	0.47	23.6	0.26
Sustaining lease payments	2.4	0.12	2.3	0.10	2.0	0.06	0.1	0.01	6.8	0.07
Accretion of reclamation obligation	0.5	0.02	0.7	0.03	0.4	0.01	0.7	0.05	2.3	0.03
Amortization of reclamation asset	0.1	—	0.2	0.01	0.1	—	0.6	0.05	1.0	0.01
Corporate G&A and sustaining capital									6.9	0.08
All-in sustaining cost adjustments	9.4	0.45	28.2	1.21	8.9	0.27	8.5	0.67	61.9	0.69
All-in sustaining cost	89.2	4.27	100.0	4.26	93.4	2.80	33.1	2.60	322.7	3.57
On-site costs										
Mining	28.4	1.36	19.6	0.83	18.6	0.56	15.1	1.18	81.7	0.90
Processing	43.7	2.09	40.5	1.72	41.7	1.25	5.4	0.43	131.3	1.45
Site G&A	6.7	0.32	5.6	0.24	9.1	0.27	3.7	0.29	25.1	0.28
Cash production costs of metal produced	78.8	3.77	65.7	2.79	69.4	2.08	24.2	1.90	238.1	2.63

[2] *Certain of prior period comparative figures have been reclassified to conform with the current year's presentation.*
[3] *Totals may not add based on amounts presented in this table due to rounding.*

By-Product Credits Reconciliation

Three Months Ended March 31, 2025

($ millions)	Mantoverde	Mantos Blancos	Pinto Valley	Cozamin	Other	Total[2]
Revenue						
Copper concentrate	157.3	107.0	86.5	59.6	—	**410.4**
Copper cathode	73.3	14.3	7.3	—	—	**94.9**
Silver	—	0.2	1.7	9.3	—	**11.2**
Gold	18.6	—	1.5	—	—	**20.1**
Revenue from contracts	**249.2**	**121.5**	**97.0**	**68.9**	**—**	**536.6**
Copper concentrate	7.8	1.2	6.1	0.7	(10.2)	**5.6**
Copper cathode	—	—	—	—	—	**—**
Silver	—	0.4	0.1	0.3	—	**0.8**
Gold	2.7	—	—	—	—	**2.7**
Pricing and volume adjustments	10.5	1.6	6.2	1.0	(10.2)	**9.1**
Treatment and selling costs	(6.9)	(1.5)	(3.7)	(0.3)	—	**(12.3)**
Net revenue	**252.9**	**121.7**	**99.3**	**69.7**	**(10.2)**	**533.3**
Reconciliation of by-product credits						
Silver	—	0.6	1.8	9.6	—	**12.0**
Gold	21.3	—	1.5	—	—	**22.8**
Subtotal	21.3	0.6	3.3	9.6	—	**34.8**
Less: deferred revenue	—	—	—	(2.3)	—	**(2.3)**
By-product credits	**21.3**	**0.6**	**3.3**	**7.3**	**—**	**32.5**
Payable copper produced (000s pounds)	**48,473**	**29,604**	**23,206**	**13,812**	**—**	**115,095**
Amount per pound ($)	**0.44**	**0.02**	**0.14**	**0.53**	**—**	**0.28**

[2] *Totals may not sum due to rounding.*

Three Months Ended March 31, 2024

($ millions)	Mantoverde	Mantos Blancos	Pinto Valley	Cozamin	Other	Total
Revenue						
Copper concentrate	—	78.9	118.0	48.3	—	245.2
Copper cathode	83.2	15.2	5.7		—	104.1
Silver	—	0.2	1.4	7.3	—	8.9
Molybdenum	—	—	0.6	—	—	0.6
Gold	—		(0.8)		—	(0.8)
Revenue from contracts	83.2	94.3	124.9	55.6	—	358.0
Copper concentrate	—	(2.5)	2.6	0.1	(2.6)	(2.4)
Copper cathode	0.1	0.1	—	—	—	0.2
Silver	—	0.1	(0.1)	—	—	—
Molybdenum	—	—	—	—	—	—
Gold	—	—	0.8	—	—	0.8
Pricing and volume adjustments	0.1	(2.3)	3.3	0.1	(2.6)	(1.4)
Treatment and selling costs	(0.5)	(3.9)	(9.5)	(2.8)	—	(16.7)
Net revenue	82.8	88.1	118.7	52.9	(2.6)	339.9
Reconciliation of by-product credits						
Silver	—	0.3	1.3	7.3	—	8.9
Molybdenum	—	—	0.6	—	—	0.6
Gold	—	—	—	—	—	—
Subtotal	—	0.3	1.9	7.3	—	9.5
Less: deferred revenue	—	—	—	(3.0)	—	(3.0)
By-product credits	—	0.3	1.9	4.3	—	6.5
Payable copper produced (000s pounds)	20,891	23,490	33,401	12,726	—	90,508
Amount per pound ($)	—	0.01	0.06	0.34	—	0.07

Reconciliation of Net (debt) / Net cash

Net (debt) / Net cash is a non-GAAP performance measure used by the Company to assess its financial position and is composed of Long-term debt (excluding deferred financing costs and purchase price accounting ("PPA") fair value adjustments), Cost overrun facility from MMC, Cash and cash equivalents, Short-term investments, and excluding shareholder loans.

($ millions)	March 31, 2025	December 31, 2024
Long-term debt (per financials), excluding deferred financing costs of 9.3 and 1.5 and PPA fair value adjustments of 5.4 and 5.7	**(1,077.5)**	(817.6)
COF	**(55.1)**	(56.8)
Add:		
Cash and cash equivalents (per financials)	**343.7**	131.6
Short-term investments (per financials)	**0.8**	0.8
Net debt	**(788.1)**	(742.0)

Reconciliation of Attributable Net (debt) / Net cash

Attributable net (debt) / net cash is a non-GAAP performance measure used by the Company to assess its financial position and is calculated as net debt / net cash excluding amounts attributable to non-controlling interests.

($ millions)	March 31, 2025	December 31, 2024
Attributable Long-term debt, excluding deferred financing costs of 9.3 and 1.5 and PPA fair value adjustments of 5.4 and 5.7	**(934.3)**	(670.1)
Attributable COF	**(38.6)**	(39.8)
Add:		
Attributable Cash and cash equivalents	**318.4**	108.5
Attributable Short-term investments	**0.8**	0.8
Attributable Net debt	**(653.7)**	(600.6)

Reconciliation of Available Liquidity

Available liquidity is a non-GAAP performance measure used by the Company to assess its financial position and is composed of RCF credit capacity, Mantoverde DP facility capacity, the Senior Notes. cash and cash equivalents and short-term investments. For clarity, Available liquidity does not include the Mantoverde $60 million cost overrun facility from MMC nor the $260 million undrawn portion of the gold stream from Wheaton related to the Santo Domingo development project as they are not available for general purposes.

($ millions)	March 31, 2025	December 31, 2024
Revolving credit facility capacity	**700.0**	700.0
MVDP debt facility	**477.5**	491.6
Senior Notes	**600.0**	—
Long-term debt (per financials), excluding deferred financing costs of 9.3 and 1.5 and PPA fair value adjustments of 5.4 and 5.7	**(1,077.5)**	(817.6)
	700.0	374.0
Cash and cash equivalents (per financials)	**343.7**	131.6
Short-term investments (per financials)	**0.8**	0.8
Available liquidity	**1,044.5**	506.4

Reconciliation of Adjusted Net Income (Loss) Attributable To Shareholders

Adjusted net income (loss) attributable to shareholders is a non-GAAP measure of Net loss attributable to shareholders as reported, adjusted for certain types of transactions that in the Company's judgment are not indicative of normal operating activities or do not necessarily occur on a regular basis.

($ millions, except share and per share amounts)	Q1 2025	Q1 2024
Net loss attributable to shareholders	**(6.8)**	(4.8)
Inventory write-down	**0.4**	(1.0)
Unrealized loss on derivative contracts	**9.6**	2.3
Share-based compensation expense	**4.2**	7.1
Unrealized foreign exchange (gain) loss	**4.4**	(7.4)
Gold stream obligation	**1.7**	0.6
Loss (gain) on disposal of assets	**—**	(1.3)
G&A - care and maintenance	**0.1**	0.1
Tax effect on the above adjustments	**(5.5)**	(0.1)
Adjusted net income (loss) attributable to shareholders	**8.1**	(4.5)
Weighted average common shares - basic (per financials)	**761,966,779**	728,558,632
Adjusted net income (loss) attributable to shareholders of Capstone Copper Corp. per common share - basic ($)	**0.01**	(0.01)
Weighted average common shares - diluted (per financials)	**761,966,779**	728,558,632
Adjusted net income (loss) attributable to shareholders of Capstone Copper Corp. per common share - diluted ($)	**0.01**	(0.01)

Reconciliation of Adjusted EBITDA

EBITDA is a non-GAAP measure of net loss before net finance expense, tax expense, and depletion and amortization.

Adjusted EBITDA is non-GAAP measure of EBITDA before the pre-tax effect of the adjustments made to net loss (above) as well as certain other adjustments required under the RCF agreement in the determination of EBITDA for covenant calculation purposes.

The adjustments made to net loss and Adjusted EBITDA allow management and readers to analyze the Company's results more clearly and understand the cash-generating potential of the Company.

	Three months ended March 31, 2025					
($ millions)	Mantoverde	Mantos Blancos	Pinto Valley	Cozamin	Other	Total
Net (loss) income per financials	$ 25.7	$ (1.1)	$ (8.3)	$ 20.4	$ (37.9)	$ (1.2)
Net finance costs	18.7	3.9	1.8	2.1	9.2	35.7
Taxes	11.6	(1.5)	(3.4)	12.0	(3.6)	15.1
Depletion and amortization	42.9	46.6	20.9	9.8	0.2	120.4
EBITDA	98.9	47.9	11.0	44.3	(32.1)	170.0
Share-based compensation expense	—	—	—	—	4.2	4.2
Total inventory write-down (reversal)	0.7	—	—	—	(0.1)	0.6
Realized (gain) loss on MVDP derivative contracts	(3.3)	—	—	—	—	(3.3)
Unrealized (gain) loss on derivatives	4.4	—	—	—	6.5	10.9
Unrealized foreign exchange loss (gain)	2.5	1.8	0.1	0.3	0.4	5.1
Gold stream obligation	—	—	—	—	1.7	1.7
Unrealized provisional pricing and volume adjustments on revenue	(10.5)	(1.6)	(6.2)	(1.0)	10.0	(9.3)
Adjusted EBITDA	92.7	48.1	4.9	43.6	(9.4)	179.9

($ millions)	Three months ended March 31, 2024 Mantoverde	Mantos Blancos	Pinto Valley	Cozamin	Other	Total
Net income (loss) per financials	$ (3.1)	$ (1.2)	$ 16.6	$ 9.5	$ (27.6)	$ (5.8)
Net finance costs	0.6	1.5	1.1	2.3	3.0	8.5
Taxes	(1.3)	0.6	2.7	4.0	0.7	6.7
Depletion and amortization	16.7	20.3	21.9	10.2	0.1	69.2
EBITDA	12.9	21.2	42.3	26.0	(23.8)	78.6
Share-based compensation expense	—	—	—	—	7.1	7.1
Total inventory write-down (reversal)	(1.0)	—	—	—	—	(1.0)
Realized (gain) loss on MVDP derivative contracts	0.7	—	—	—	—	0.7
Unrealized (gain) loss on derivatives	(5.4)	—	—	—	7.7	2.3
(Gain) loss on disposal of assets	(1.3)	—	—	0.1	(0.1)	(1.3)
Unrealized foreign exchange (gain) loss	(3.2)	(3.0)	(0.2)	0.2	(1.2)	(7.4)
Gold stream obligation	—	—	—	—	0.6	0.6
Unrealized provisional pricing and volume adjustments on revenue	(0.1)	2.3	(3.3)	(0.1)	1.7	0.5
Adjusted EBITDA	2.6	20.5	38.8	26.2	(8.0)	80.1

Other Non-GAAP measures

Sustaining Capital

Sustaining capital is expenditures to maintain existing operations and sustain production levels. A reconciliation of this non-GAAP measure to GAAP segment MPPE additions is included within the mine site sections of this document.

Expansionary Capital

Expansionary capital is expenditures to increase current or future production capacity, cash flow or earnings potential. A reconciliation of this non-GAAP measure to GAAP segment MPPE additions is included within the mine site sections of this document.

Additional Information and Reconciliations

Sales from Operations

	2025	2024				
	Q1	Q1	Q2	Q3	Q4	Total
Copper (tonnes)						
Concentrate						
Mantoverde	16,400	—	—	6,088	11,499	17,587
Mantos Blancos	11,104	8,981	7,620	8,254	11,444	36,299
Pinto Valley	9,344	13,818	15,198	12,750	10,404	52,170
Cozamin	6,253	5,709	5,718	5,837	6,357	23,621
Total Concentrate	43,101	28,508	28,536	32,929	39,704	129,677
Cathode						
Mantoverde	7,811	9,778	8,463	9,344	7,967	35,552
Mantos Blancos	1,499	1,806	1,926	1,688	1,519	6,939
Pinto Valley	723	663	823	723	824	3,033
Total Cathode	10,033	12,247	11,212	11,755	10,310	45,524
Total Copper	53,134	40,755	39,748	44,684	50,014	175,201
Zinc (000 pounds)						
Cozamin	—	(4)	—	—	—	(4)
Molybdenum (tonnes)						
Pinto Valley	—	18	25	1	7	51
Silver (000s ounces)						
Mantos Blancos	224	215	188	198	243	844
Pinto Valley	52	60	75	69	58	262
Cozamin	423	410	462	472	527	1,871
Total	699	685	725	739	828	2,977
Gold (ounces)						
Mantoverde	7,097	—	—	2,905	5,177	8,082
Pinto Valley	504	(462)	209	975	132	854
Total	7,601	(462)	209	3,880	5,309	8,936

6.0 SELECTED QUARTERLY FINANCIAL INFORMATION

($ millions, except per share data)[2]	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023[(i)]	Q2 2023[(ii)]
Revenue	**533.3**	446.9	419.4	393.1	339.9	353.7	322.2	333.9
Earnings from mining operations	**84.9**	57.0	63.9	72.5	18.1	21.6	12.0	5.0
Net (loss) income attributable to shareholders	**(6.8)**	45.9	12.5	29.3	(4.8)	(12.3)	(32.9)	(36.5)
Net (loss) earnings per share attributable to shareholders - basic and diluted	**(0.01)**	0.06	0.02	0.04	(0.01)	(0.02)	(0.05)	(0.05)
Operating cash flow before changes in non-cash working capital	**166.1**	132.8	116.9	102.9	62.1	80.4	59.2	22.0
Capital expenditures (including capitalized stripping)	**119.7**	145.3	219.9	194.6	170.0	182.1	228.3	201.3

[(i)] *Net Loss in Q3 2023 includes $24 million of Deferred income tax expense related to the adoption of the Chilean Tax Reform.*
[(ii)] *Net Loss in Q2 2023 includes $59 million of Minto obligation.*
[2] *Certain prior period comparative figures have been reclassified to conform with the current year's presentation.*

7.0 MANAGEMENT'S REPORT ON INTERNAL CONTROLS AND OTHER INFORMATION

Disclosure Controls and Procedures ("DC&P")

As at March 31, 2025, Capstone Copper's management, with the participation of its Chief Executive Officer & Director and Senior Vice President & Chief Financial Officer, has designed DC&P which provide reasonable assurance that material information related to Capstone Copper is identified and communicated in a timely manner.

Internal Control Over Financial Reporting ("ICFR")

Capstone Copper's management, with the participation of its Chief Executive Officer & Director and Senior Vice President & Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR"). Any system of ICFR, no matter how well designed, has inherent limitations and cannot provide absolute assurance that all misstatements and instances of fraud, if any, within the Company have been prevented or detected. Capstone Copper's ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.
The Company uses the 2013 Internal Control – Integrated Framework published by The Committee of Sponsoring Organizations of the Treadway Commission ("2013 COSO framework") as the basis for assessing its ICFR.

There have been no changes in the Company's ICFR that materially affected, or are reasonably likely to materially affect, ICFR during the period ended in March 31, 2025.

Other Information

Approval

The Board of Directors of Capstone Copper approved the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it from the Company. A copy of this MD&A is also available for viewing at the Company's website at www.capstonecopper.com or on the Company's profile on the SEDAR+ website at www.sedarplus.ca.

Additional Information

Additional information is available for viewing at the Company's website at www.capstonecopper.com or on the Company's profile on the SEDAR+ website at www.sedarplus.ca.

8.0 NATIONAL INSTRUMENT 43-101 COMPLIANCE

Unless otherwise indicated, Capstone Copper has prepared the technical information in this MD&A (“Technical Information”) based on information contained in the technical reports and news releases (collectively the “Disclosure Documents”) available under Capstone Copper’s company profile on SEDAR+ at www.sedarplus.ca. Each Disclosure Document was prepared by or under the supervision of a qualified person (a “Qualified Person”) as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators (“NI 43-101”). Readers are encouraged to review the full text of the Disclosure Documents which qualifies the Technical Information. Readers are advised that Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The Disclosure Documents are each intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Disclosure Documents.

Disclosure Documents include the National Instrument 43-101 technical reports titled "Mantoverde Mine, NI 43-101 Technical Report and Feasibility Study, Atacama Region, Chile" effective July 1, 2024, “Santo Domingo Project, NI 43-101 Technical Report and Feasibility Study Update, Atacama Region, Chile” effective July 31, 2024, "NI 43-101 Technical Report on the Cozamin Mine, Zacatecas, Mexico" effective January 1, 2023, "Mantos Blancos Mine NI 43-101 Technical Report Antofagasta / Región de Antofagasta, Chile" effective November 29, 2021, and “NI 43-101 Technical Report on the Pinto Valley Mine, Arizona, USA” effective March 31, 2021.

The disclosure of Scientific and Technical Information in this MD&A was reviewed and approved by Peter Amelunxen, P.Eng., Senior Vice President, Technical Services (technical information related to project updates at Santo Domingo and Mineral Resources and Mineral Reserves at Mantoverde), Clay Craig, P.Eng., Director, Mining & Strategic Planning (technical information related to Mineral Reserves at Pinto Valley and Cozamin), and Cashel Meagher, P.Geo., President and Chief Operating Officer (technical information related to Mineral Reserves and Resources at Mantos Blancos) all Qualified Persons under NI 43-101.

9.0 RISKS AND UNCERTAINTIES

For full details on the risks and uncertainties affecting the Company, please refer to the Annual Information Form dated March 26, 2025 (See section entitled "Risk Factors"). This document is available for viewing on the Company’s website at www.capstonecopper.com or on the Company’s profile on the SEDAR+ website at www.sedarplus.ca. Please also refer to the prospectus dated March 6, 2024, that is available on the Company's market announcements platform at www.asx.com.au and under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.